

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 00-0298P

**Sales Tax and Use Tax
For Calendar Years 1995, 1996, and 1997**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer protests the penalty assessed for audit years 1995, 1996, and 1997 completed on February 22, 2000.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer failed to remit approximately forty-five percent (45%) of its use tax due. A review of the audit report indicates the assessments, which were higher, stemmed from the same issues as the prior audit report completed on October 28, 1994.

Taxpayer requests a waiver of penalties because it remits sales and use tax on a regular basis and files in a timely manner. Further taxpayer states that it had a significant increase in purchases to operate its manufacturing facilities in the State of Indiana and has improved its compliance reporting, continuing to implement and revise procedures as needed.

Taxpayer failed to pay tax on clearly taxable items, issues that were present in prior audits. The

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taxpayer was negligent in failing to self-assess and remit taxes and has not provided reasonable cause for failure to do so.

FINDING

Taxpayer's protest is denied.

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